

## Message Text

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PAGE 01 MANILA 10586 110742Z

ACTION TRSE-00

INFO OCT-01 EA-07 ISO-00 SP-02 USIA-06 AID-05 EB-07  
NSC-05 EPG-02 SS-15 STR-04 OMB-01 CEA-01 CIAE-00  
COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03  
LAB-04 SIL-01 L-03 H-01 PA-01 PRS-01 IO-13 /095 W  
-----002502 110815Z /20

P 110716Z JUL 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 2152

C O N F I D E N T I A L MANILA 10586

USADB

EYES ONLY

PASS TREASURY FOR BERGSTEN/NACHMANOFF/BRADFORD

E.O. 11652: GDS

TAGS: AAID, EFIN

SUBJECT: OMNIBUS MULTILATERAL DEVELOPMENT INSTITUTIONAL ACT  
OF 1977

REF: MANILA 10345

1. FURTHER TO REFTEL, FOLLOWING IS ADB MANAGEMENT'S INFORMAL  
REPEAT INFORMAL POSITION OBTAINED FROM VICE PRESIDENT REGARDING  
EAR-MARKING PROVISIONS NOTED REFTEL:

A. THE PROVISIONS OF ADB CHARTER DO NOT GIVE ANY  
SUBSCRIBER TO THE BANK'S CAPITAL ANY RIGHT TO MAKE STIPULATIONS  
RELATING TO THE CIRCUMSCRIBING OR CONSTRAINT ON USE (FOR ECONOMIC  
DEVELOPMENT PROJECTS IN ITS DEVELOPING MEMBER COUNTRIES) OF THE  
CAPITAL FUNDS THAT ACCRUE AS A RESULT OF SUCH SUBSCRIPTIONS  
FROM THAT MEMBER AND FROM OTHERS. THE RESOLUTION OF THE BOARD  
OF GOVERNORS RELEVANT TO THE SECOND CAPITAL INCREASE WHICH  
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CAN ONLY BE IN THE TERMS OF THE CHARTER DO NOT PERMIT SUCH  
CIRCUMSCRIBING OR CONSTRAINT.

B. SO FAR AS THE ASIAN DEVELOPMENT FUND IS CON-  
CERNED, THE STRUCTURE OF THE ADF AS LAID OUT IN THE  
RELEVANT GOVERNORS RESOLUTION DOES NOT ENVISAGE OR PROVIDE  
FOR SUCH CIRCUMSCRIBING OR CONSTRAINT. IT IS ALSO TO BE

NOTED THAT THE SECOND SENTENCE OF ARTICLE 19.2 OF THE  
CHARTER RELATES TO SPECIAL FUNDS BEING ESTABLISHED AND  
USED QUOTE ...NOT INCONSISTENT WITH THE APPLICABLE  
PROVISIONS OF THIS AGREEMENT ... UNQUOTE.

C. ATTENTION IS ALSO TO BE INVITED TO ARTICLE  
36.1 OF THE CHARTER WHICH SAYS QUOTE THE BANK SHALL NOT  
ACCEPT LOANS OR ASSISTANCE THAT MAY IN ANY WAY PREJUDICE,  
LIMIT, DEFLECT OR OTHERWISE ALTER ITS PURPOSE OR FUNCTIONS  
UNQUOTE.

2. ABOVE IS MANAGEMENT'S REACTION WITHOUT A PRECISE FOR-  
MULATION OF A LEGAL OPINION.  
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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DEVELOPMENT BANKS, FINANCIAL CONTRIBUTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 11-Jul-1977 12:00:00 am  
**Decaption Date:** 22 May 2009  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977MANILA10586  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 7728f96d-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION TRSE  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** ONLY  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** ONLY  
**Reference:** 77 MANILA 10345  
**Retention:** 0  
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**Review Event:**  
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**SAS ID:** 1905482  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** OMNIBUS MULTILATERAL DEVELOPMENT INSTITUTIONAL ACT OF 1977  
**TAGS:** EAID, EFIN, RP, ADB  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/7728f96d-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009